



CHAPTER 159
ARTICLE 4 - LOCAL GOVERNMENT BOND ACT

N.C.G.S. § 159-48.

For what purposes bonds may be issued.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2025-39, s. 8.8 — fifty-second act in the lineage	RETRIEVED 21 September 2026, 02:50 UTC	SOURCE FINGERPRINT 4ff4367908c7eb1a622d9823 - ac4c7390a90cef021fa1e1d0 - ac9f392e470467d4
---	--	--	---

§ 159-48(a) Each unit of local government may borrow money and issue its bonds under this Article in evidence thereof for any one or more of the following purposes:

- (1) To suppress riots, insurrections, or any extraordinary breach of law and order.
- (2) To supply an unforeseen deficiency in the revenue when taxes actually received or collected during the fiscal year fall below collection estimates made in the annual budget ordinance within the limits prescribed in G.S. 159-13.
- (3) To meet emergencies threatening the public health or safety, as conclusively determined in writing by the Governor.
- (4) To refund outstanding revenue bonds or revenue bond anticipation notes.
- (5) To refund outstanding general obligation bonds or general obligation bond anticipation notes.
- (6) To fund judgments for specified sums of money entered against the unit by a court of competent jurisdiction.
- (7) To fund valid, existing obligations of the unit not incurred by the borrowing of money.

§ 159-48(b) Each county and city may borrow money and issue its bonds under this Article in evidence thereof for the purpose of paying any capital costs of any one or more of the following:

- (1) Providing airport facilities, including without limitation related land, landing fields, runways, clear zones, lighting, navigational and signal systems, hangars, terminals, offices, shops, and parking facilities.
- (2) Providing armories for the North Carolina National Guard.
- (3) Providing auditoriums, coliseums, arenas, stadiums, civic centers, convention centers, and facilities for exhibitions, athletic and cultural events, shows, and public gatherings.
- (4) Providing beach improvements, including without limitation jetties, seawalls, groins, moles, sand dunes, vegetation, additional sand, pumps and related equipment, and drainage channels, for the control of beach erosion and the improvement of beaches.
- (5) Providing cemeteries.
- (6) Providing facilities for fire fighting and prevention, including without limitation headquarters buildings, station buildings, training facilities, hydrants, alarm systems, and communications systems.
- (7) Providing hospital facilities, including without limitation general, tuberculosis, mental, chronic disease, and other types of hospitals and related facilities such as laboratories, outpatient departments, nurses' homes and training facilities, and central service facilities operated in connection with hospitals; facilities for the provision of public health services, including related facilities such as laboratories, clinics, and administrative offices; facilities specially designed for the diagnosis, treatment, education, training, or custodial care of individuals with intellectual or other developmental disabilities, including facilities for training specialists and sheltered workshops for individuals with intellectual or other developmental disabilities; nursing homes; and in connection with the foregoing, laundries, nurses', doctors', or interns' residences, administrative buildings, research facilities, maintenance, storage, and utility facilities, auditoriums, dining halls, food service and preparation facilities, fire prevention facilities, mental and physical health care facilities, dental care facilities, nursing schools, mental teaching facilities, offices, parking facilities, and other supporting service structures.
- (8) Providing land for corporate purposes.

- (9) Providing facilities for law enforcement, including without limitation headquarters buildings, station buildings, jails and other confinement facilities, training facilities, alarm systems, and communications systems.
- (10) Providing library facilities, including without limitation fixed and mobile libraries.
- (11) Providing art galleries, museums, and art centers, and providing for historic properties.
- (12) Providing parking facilities, including on- and off-street parking, and in connection therewith any area or place for the parking and storing of automobiles and other vehicles open to public use, with or without charge, including without limitation meters, buildings, garages, driveways, and approaches.
- (13) Providing parks and recreation facilities, including without limitation land, athletic fields, parks, playgrounds, recreation centers, shelters, stadiums, arenas, permanent and temporary stands, golf courses, swimming pools, wading pools, marinas, and lighting.
- (14) Providing public building, including without limitation buildings housing courtrooms, other court facilities, and council rooms, office buildings, public markets, public comfort stations, warehouses, and yards.
- (15) Providing public vehicles, including without limitation those for law enforcement, fire fighting and prevention, sanitation, street paving and maintenance, safety and public health, and other corporate purposes.
- (16) Providing for redevelopment through the acquisition of land and the improvement thereof for assisting local redevelopment commissions.
- (17) Providing sanitary sewer systems, including without limitation community sewerage facilities for the collection, treatment, and disposal of sewage or septic tank systems and other on-site collection and disposal facilities or systems.
- (18) Providing solid waste disposal systems, including without limitation land for sanitary landfills, incinerators, and other structures and buildings.
- (19) Providing storm sewers and flood control facilities, including without limitation levees, dikes, diversionary channels, drains, catch basins, and other facilities for storm water drainage.

- (20) Providing voting machines.
- (21) Providing water systems, including without limitation facilities for the supply, storage, treatment, and distribution of water.
- (22) Providing for any other purpose for which it is authorized, by general laws uniformly applicable throughout the State, to raise or appropriate money, except for current expenses.
- (23) Providing public transportation facilities, including without limitation equipment for public transportation, buses, surface and below-ground railways, ferries, and garage facilities.
- (24) Providing industrial parks, land suitable for industrial or commercial purposes, shell buildings, in order to provide employment opportunities for citizens of the county or city.
- (25) Providing property to preserve a railroad corridor.
- (26) Undertaking public activities in or for the benefit of a development financing district pursuant to a development financing plan.

§ 159-48(c)

Each county may borrow money and issue its bonds under this Article in evidence of the debt for the purpose of, in the case of subdivisions (1) through (4b) of this subsection, paying any capital costs of any one or more of the purposes and, in the case of subdivisions (5) and (6) of this subsection, to finance the cost of the purpose:

- (1) Providing community college facilities, including without limitation buildings, plants, and other facilities, physical and vocational educational buildings and facilities, including in connection therewith classrooms, laboratories, libraries, auditoriums, administrative offices, student unions, dormitories, gymnasiums, athletic fields, cafeterias, utility plants, and garages.
- (2) Providing courthouses, including without limitation offices, meeting rooms, court facilities and rooms, and detention facilities.
- (3) Providing county homes for the indigent and infirm.
- (4) Providing school facilities, including without limitation schoolhouses, buildings, plants and other facilities, physical and vocational educational buildings and facilities, including in connection therewith classrooms, laboratories, libraries, auditoriums, administrative offices, gymnasiums, athletic fields, lunchrooms, utility plants, garages, and school buses and other necessary vehicles.

- (4a) Providing improvements to subdivision and residential streets pursuant to G.S. 153A-205.
- (4b) Providing land for present or future county corporate, open space, community college, and public school purposes.
- (5) Providing for the octennial revaluation of real property for taxation.
- (6) Providing housing projects for persons of low or moderate income, including construction or acquisition of projects to be owned by a county, redevelopment commission, or housing authority and the provision of loans, grants, interest supplements, and other programs of financial assistance to these persons. A housing project may provide housing for persons of other than low or moderate income if at least forty percent (40%) of the units in the project are exclusively reserved for persons of low or moderate income. No rent subsidy shall be paid from bond proceeds.

§ 159-48(d)

Each city may borrow money and issue its bonds under this Article in evidence thereof for the purpose of paying any capital costs of any one or more of the following:

- (1) Repealed by Session Laws 1977, c. 402, s. 2.
- (2) Providing cable television systems.
- (3) Providing electric systems, including without limitation facilities for the generation, transmission, and distribution of electric light and power.
- (4) Providing gas systems, including without limitation facilities for the production, storage, transmission, and distribution of gas, where systems also include the purchase or lease of natural gas fields and natural gas reserves and the purchase of natural gas supplies, and where any parts of the systems may be located either inside or outside the State.
- (5) Providing streets and sidewalks, including without limitation bridges, viaducts, causeways, overpasses, underpasses, and alleys; paving, grading, resurfacing, and widening streets; sidewalks, curbs and gutters, culverts, and drains; traffic controls, signals, and markers; lighting; and grade crossings and the elimination thereof and grade separations.
- (6) Improving existing systems or facilities for the transmission or distribution of telephone services.

- (7) Providing housing projects for the benefit of persons of low income, or moderate income, or low and moderate income, including without limitation (i) construction or acquisition of projects to be owned by a city, redevelopment commission or housing authority, and (ii) loans, grants, interest supplements and other programs of financial assistance to persons of low income, or moderate income, or low and moderate income, and developers of housing for persons of low income, or moderate income, or low and moderate income. A housing project may provide housing for persons of other than low or moderate income, as long as at least twenty percent (20%) of the units in the project are set aside for housing for the exclusive use of persons of low income. No rent subsidy shall be paid from bond proceeds.

§ 159-48(e)

Each sanitary district, mosquito control district, hospital district, merged school administrative unit described in G.S. 115C-513, metropolitan sewerage district, metropolitan water district, metropolitan water and sewerage district, county water and sewer district, regional public transportation authority, metropolitan public transportation authority, and special airport district may borrow money and issue its bonds under this Article in evidence thereof for the purpose of paying any capital costs of any one or more of the purposes for which it is authorized, by general laws uniformly applicable throughout the State, to raise or appropriate money, except for current expenses.

§ 159-48(f)

For any of the purposes authorized by subsections (b), (c), (d), or (e) of this section, a unit may do any of the following that it considers necessary or convenient:

- (1) Acquire, construct, erect, provide, develop, install, furnish, and equip.
- (2) Reconstruct, remodel, alter, renovate, replace, refurnish, and reequip.
- (3) Enlarge, expand, and extend.
- (4) Demolish, relocate, improve, grade, drain, landscape, pave, widen, and resurface.

§ 159-48(g)

Bonds for two or more unrelated purposes, not of the same general class or character, shall not be authorized by the same bond order. However, bonds for any of the purposes listed in any subdivision of any subsection of this section shall be deemed to be for one purpose and may be authorized by the same bond order. In addition, nothing in this section prohibits the combining of purposes from any subdivision of any subsection

of this section and the authorization of bonds therefor by the same bond order to the extent that the purposes are not unrelated.

§ 159-48(h)

As used in this section, "capital costs" include, without limitation, all of the following:

- (1) The costs of doing any or all of the things mentioned in subsection (f) of this section.
- (2) The costs of all property, both real and personal and both improved and unimproved, plants, works, appurtenances, structures, facilities, furnishings, machinery, equipment, vehicles, easements, water rights, franchises, and licenses used or useful in connection with the purpose authorized.
- (3) The costs of demolishing or moving structures from land acquired and acquiring any lands to which the structures are to be moved.
- (4) Financing charges, including estimated interest during construction and for six months thereafter.
- (5) The costs of plans, specifications, studies and reports, surveys, and estimates of costs and revenues.
- (6) The costs of bond printing and insurance.
- (7) Administrative and legal expenses.
- (8) Any other services, costs, and expenses necessary or incidental to the purpose authorized.

§ 159-48(i)

This section does not authorize any unit to undertake any program, function, joint undertaking, or service not otherwise authorized by law. It is intended only to authorize the borrowing of money and the issuance of bonds within the limitations set out in this section to finance programs, functions, joint undertakings, or services authorized by other portions of the General Statutes or by city charters.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
52 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.



1917 1971 2025

TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

Nº	YEAR	ACT	CHARACTER
01	1917	c. 138, s. 16	ENACTED
02	1919	c. 178, s. 3(16)	AMENDED
03	C.S.	s. 2937	RECODIFIED
04	1921	c. 8, s. 1	AMENDED
05	1921	Ex. Sess. 1921, c. 106, s. 1	AMENDED
06	1927	c. 81, s. 8	AMENDED
07	1929	c. 171, s. 1	AMENDED
08	1931	c. 60, ss. 48, 54	AMENDED
09	1933	c. 259, ss. 1, 2	AMENDED
10	1935	c. 302, ss. 1, 2	AMENDED
11	1939	c. 231, ss. 1, 2(c)	AMENDED
12	1943	c. 13	AMENDED
13	1945	c. 403	AMENDED
14	1947	cc. 520, 931	AMENDED
15	1949	c. 354	AMENDED
16	1949	c. 766, s. 3	AMENDED
17	1949	c. 1270	AMENDED
18	1953	c. 1065, s. 1	AMENDED
19	1957	c. 266, s. 1	AMENDED
20	1957	c. 856, s. 1	AMENDED
21	1957	c. 1098, s. 16	AMENDED
22	1959	c. 525	AMENDED
23	1959	c. 1250, s. 2	AMENDED
24	1961	c. 293	AMENDED
25	1961	c. 1001, s. 2	AMENDED
26	1965	c. 307, s. 2	AMENDED
27	1967	c. 987, s. 2	AMENDED
28	1967	c. 1001, s. 1	AMENDED

29	1971	c. 780, s. 1	AMENDED
30	1973	c. 494, s. 4	AMENDED
31	1973	c. 1037	AMENDED
32	1975	c. 549, s. 1	AMENDED
33	1975	c. 821, s. 1	AMENDED
34	1977	c. 402, ss. 1, 2	AMENDED
35	1977	c. 811	AMENDED
36	1979	c. 619, s. 3	AMENDED
37	1979	c. 624, s. 1	AMENDED
38	1979	c. 727, s. 3	AMENDED
39	1985	c. 639, s. 2	AMENDED
40	1987	c. 464, s. 7	AMENDED
41	1987	c. 564, s. 10	AMENDED
42	1989	c. 600, s. 7	AMENDED
43	1989	c. 740, s. 4	AMENDED
44	1991	c. 325, s. 5	AMENDED
45	1997	S.L. 1997-6, s. 19	AMENDED
46	1999	S.L. 1999-366, s. 4	AMENDED
47	1999	S.L. 1999-378, s. 1	AMENDED
48	2003	S.L. 2003-403, s. 3	AMENDED
49	2009	S.L. 2009-281, s. 1	AMENDED
50	2013	S.L. 2013-50, s. 4	AMENDED
51	2019	S.L. 2019-76, s. 32	AMENDED
52	2025	S.L. 2025-39, s. 8.8	AMENDED

APPARATUS II
3 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 159-13	(a)(2)	"ordinance within the limits prescribed in"

G.S. 153A-205	(c)(4a)	"subdivision and residential streets pursuant to"
G.S. 115C-513	(e)	"merged school administrative unit described in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 159-48 (2025).

PINPOINT

N.C. Gen. Stat. § 159-48(a) (2025).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

This document reproduces the text of one section of the General Statutes of North Carolina from a source file whose SHA-256 digest is printed on every page. The digest fixes the bytes this export was made from; if the State's file changes, the digest will not match.

The text of the section is unaltered. Subsection designators have been moved from the run of text into the margin. The amendment history and the table of authorities are derived from the section by mechanical extraction — they add no characterization of the law.

This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1917, c. 138, s. 16; 1919, c. 178, s. 3(16); C.S., s. 2937; 1921, c. 8, s. 1; Ex. Sess. 1921, c. 106, s. 1; 1927, c. 81, s. 8; 1929, c. 171, s. 1; 1931, c. 60, ss. 48, 54; 1933, c. 259, ss. 1, 2; 1935, c. 302, ss. 1, 2; 1939, c. 231, ss. 1, 2(c); 1943, c. 13; 1945, c. 403; 1947, cc. 520, 931; 1949, c. 354; c. 766, s. 3; c. 1270; 1953, c. 1065, s. 1; 1957, c. 266, s. 1; c. 856, s. 1; c. 1098, s. 16; 1959, c. 525; c. 1250, s. 2; 1961, c. 293; c. 1001, s. 2; 1965, c. 307, s. 2; 1967, c. 987, s. 2; c. 1001, s. 1; 1971, c. 780, s. 1; 1973, c. 494, s. 4; c. 1037; 1975, c. 549, s. 1; c. 821, s. 1; 1977, c. 402, ss. 1, 2; c. 811; 1979, c. 619, s. 3; c. 624, s. 1; c. 727, s. 3; 1985, c. 639, s. 2; 1987, c. 464, s. 7; c. 564, s. 10; 1989, c. 600, s. 7; c. 740, s. 4; 1991, c. 325, s. 5; 1997-6, s. 19; 1999-366, s. 4; 1999-378, s. 1; 2003-403, s. 3; 2009-281, s. 1; 2013-50, s. 4; 2019-76, s. 32; 2025-39, s. 8.8.)

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

